

October 14, 2021

The Board of Commissioners of the Arapahoe County Public Airport Authority, Arapahoe County, Colorado, held a regular meeting open to the public at Centennial Airport, Administration Complex, 7565 South Peoria St., Englewood, Colorado, located within the County, on October 14, 2021 at 3:00 p.m.

The following members were present:
Commissioner Sharpe, Chair
Commissioner Bagnato, Chair Pro-Tem
Commissioner Baker, Clerk
Commissioner Doubek, Treasurer
Commissioner Holen, Voting Member
Commissioner Huffman, Ex-Officio
Commissioner Sieber, Ex-Officio

The following members were absent, but excused:
Commissioner Laydon, Ex-Officio

Each Commissioner was notified of the date, time and place of the meeting and the purpose to which it was called. At least three (3) days prior to the date of the meeting, Public Meeting notices were posted at the Administration Buildings of Arapahoe County, Douglas County, Greenwood Village, City of Centennial; the courthouses in Arapahoe County and Douglas County; and at least three places on the Airport. At least 24 hours prior to the meeting, an agenda was posted on the Authority's website and in the window of the door at the base of the Control Tower/Administration Complex at 7800 South Peoria Street.

Please note that due to the Governor's order related to the COVID-19 pandemic and restrictions on public gatherings, this public meeting was held through video and web conferencing software options for the Board members, staff and public.

Call to Order & Pledge of Allegiance

Chair Sharpe called the meeting to order at 3:05 PM and recited the Pledge of Allegiance.

Public Comment

Amendments to the Agenda

Consent Agenda:

- #2 See updated Personnel Committee Report on Dais
- #4 Denver jetCenter – Continued to 11/12/21 meeting
- See updated SunBorne Consent on Dais – Changed motion to approval for the Lessor Estoppel Certificates and conditional approval for the consents.

Next Meetings

- November 3, 2021 @ 6:30 p.m. – Noise Roundtable Meeting – Virtual/Hybrid, Wright Brothers Room
- (FRIDAY) November 12, 2021 @ 3:00 p.m. – Regular Board Meeting – Virtual/Hybrid, Wright Brothers Room

CONSENT AGENDA

1. **Approve Minutes of September 9, 2021** **Gwen Balk**
Recommendation: Motion to approve the minutes of September 9, 2021 and authorize the Chair to sign.

2. **Personnel Committee Recommendations** **Gwen Balk**
Recommendation: Motion to approve the Personnel Committee's recommendations to approve the following:
 1. 2022 proposed Personnel Budget for inclusion in the 2022 Budget Planning Process;
 2. 2022 Classification Plan;
 3. Group Insurance Renewal for the plan year from 12/1/2021 thru 11/30/22 and the ACPAA Monthly Premium Schedule;
 4. 457f Plan changes to include earlier vesting for two participants, the addition of the new senior management personnel and authorization for all Voting members to sign the associated letters to The Principal; and
 5. Employee Handbook update related to Vacation, Sick, and Funeral Leave.
 6. Appointment of new Executive Director, Michael Fronapfel, effective 10/17/2021.

3. **CH2M Hill Inc. (Jacobs) Contract Extension No.3** **Mike Fronapfel**
Recommendation: Motion to approve the extension to the Engineering Services Contract with CH2M Hill Inc. (Jacobs) and authorize the Chair to sign.

4. **Denver jetCenter, Inc. ("DJC") – Three Amendments** **Gwen Balk**
Recommendation: Motion amended to continue to the 11/12/21 meeting for consideration.

5. **FBO Lot 10 Floors and Doors 2.0 – Uniform Easement Deed and Revocable Storm Drainage License Agreement and Stormwater Facility Maintenance Agreement** **Gina Conley**
Recommendation: Motion to conditionally approve the Uniform Easement Deed and Revocable Storm Drainage License Agreement and Stormwater Facility Maintenance Agreement for the FBO Lot 10 Floors and Doors 2.0 Development and authorize the Chair to sign pending final review and approval by staff and legal counsel.
6. **SunBorne XVI, LTD. (“Landlord”) – Consent to Ground Subleases, Assignment and Assumptions, and Estoppel Certificates** **Gwen Balk**
Recommendation: Motion to approve the following Lessor’s Estoppel Certificates and authorize the Chair to sign; and to conditionally approve the following consents and authorize the Chair and Clerk to sign subject to final and satisfactory review of staff and counsel:
1. Consent to Ground Sublease between Landlord and Modern Aviation Properties, LLC (“Modern”) as for FBO Parcels 1, 2, and 4N (“Sublease 1”)
 2. Consent to the Amended and Restated Ground Sublease between Landlord and SunBorne Hangar Venture I, LLC for Parcel Lot 5W (“Sublease 2”)
 3. Consent to Amended and Restated Ground Sublease between Landlord and SunBorne Office Terminal Venture, LLC for FBO Lot 3 and Parcel 5 (“Sublease 3”)
 4. Consent to Assignment and Assumption of Sublease 2 from SunBorne Hangar Venture I, LLC to Modern Aviation Properties, LLC (“Assignment 1”)
 5. Consent to Assignment and Assumption of Sublease 2 from SunBorne Office Terminal Venture I, LLC to Modern Aviation Properties, LLC (“Assignment 2”)
 6. Lessor’s Estoppel Certificate related to Sublease 1
 7. Lessor’s Estoppel Certificate related to Sublease 2
 8. Lessor’s Estoppel Certificate related to Sublease 3
7. **Auditor Engagement** **Roxana Hahn**
Recommendation: Motion to engage BKD, LLP for the audit of the 2021 Financial Statements and authorize the Chair to sign the Engagement Letter.
8. **Ratification of Third Quarter 2021 Expenditures** **Roxana Hahn**
Recommendation: Motion to ratify Third Quarter 2020 Expenditures in the amount of \$1,631,617.73.
9. **August 2021 Financial Reports** **Roxana Hahn**
Recommendation: Advisory
10. **Approval of Consent Agenda** **Nancy Sharpe**
Recommendation: Approval of the Consent Agenda

Commissioner Holen moved to approve the consent agenda as amended followed by a second from Commissioner Bagnato; the motion passed unanimously.

BUSINESS AGENDA

11. **Items Moved to the Business Agenda** **Nancy Sharpe**
None.

Although there were no items moved from the Consent Agenda to be discussed, Chair Sharpe announced that the Personnel Committee has chosen Mike Fronapfel to take over as the new Executive Director of Centennial Airport starting 10/17/2021. She informed that Mr. Fronapfel has been with the airport for 23 years and that the Board hired ADK to help pick the new director. Chair Sharpe thanked Mr. Olislagers for all his hard work and advised that he was recently inducted into the Colorado Aviation Hall of Fame for all the hard work and dedication that he has provided to Centennial over the last 21 years. She acknowledged Mrs. Olislagers who Mr. Olislagers referred to as his Clementine that has helped him with everything he has done. Mr. Olislagers thanked the Board and staff for all their hard work helping Centennial Airport become what it is and stated that he is always going to be a phone call away for whatever Mr. Fronapfel might need and that before he leaves, he will continue to work on the projects that have been started here at the airport.

12. **Hotel Report** **Robert Olislagers**
Recommendation: Conditional Approval – Motion to conditionally approve the lease with the buyer/operator for a Four Points Hotel pending staff and counsel review after all conditions have been met.

Mr. Olislagers advised the Board that placed before them on the dais was the hard copy of the hotel proposal that was provided via email prior to the meeting. He stated that although he had just received the financials right before the personnel committee meeting, this was the most decent and comprehensive proposal that the airport has received. The new proposal is for a Four Points Hotel with Marriott who has the Bonvoy Reservation system which is a state of art system for travel locally and internationally; with this service comes a full bar and food service. Mr. Olislagers informed that Marin Management was present to answer any questions the Board might have and representing them was Pat Mitchell and Geoff Graff with Hogan Hospitality who the parent company of Marin is. Ms. Mitchell informed the Board that once the loan is paid off and the construction budget was completed, the estimated price of this project would be around \$11M and that they expect to have it done start to finish within seven months. She advised that while construction is underway, Marin will work with Marriott in recruiting and training employees for the hotel. With no further questions, Commissioner Bagnato made a motion followed by a second by Commissioner Baker; the motion passed unanimously.

13. ACPAA Insurance Programs Renewals for the year 2020-2021

Luke Skaflen

Recommendation: Motion to approve the Airport Insurance Program for the renewal period from 11/1/2021 through 10/31/2022 in the amount of \$166,863 and authorize the Executive Director or Director of Administration to sign all necessary documents.

Mr. Skaflen presented the insurance program for the Airport for 11/1/2021 – 10/31/2022. He stated that there was some increases this year due to a claim on our snowblower that was damaged severely during snow season last year; that increased by 16.73% and our cyber insurance is increasing due to the other insurance company's having to pay out. Mr. Skaflen noted that with Parcel 50-5 reverts to the Authority, the property can be added or removed at any time without penalty. With no questions, Commissioner Holen made a motion to approve the Airport Insurance for 11/1/2021-10/31/2022; followed by a second from Commissioner Doubek; the motion passed unanimously

14. Presentation of the Proposed 2022 Annual Budget and approval of Resolution 2021-07, which sets the meeting date for the adoption of the 2022 Budget.

Andrew Gillespie

Recommendation: Adopt Resolution 2021-07

Mr. Gillespie presented the proposed 2022 Budget and asked for a motion to adopt Resolution 2021-07. Chair Sharpe and Commissioners Holen and Huffman asked questions; Mr. Fronapfel, Mr. Gillespie, and Ms. Hahn replied. Commissioner Doubek made a motion to adopt the resolution and to set the public hearing for the Board meeting on December 9, 2021; Commissioner Baker followed with a second to the motion and it passed unanimously.

REPORTS

15. Fuel and Operations Report for September 2021

Samuel Hostetler

Recommendation: Advisory

Mr. Hostetler stated the following:

- 2021 YTD Operations: Down 6.3% from 2020 at 236,820
- Monthly Operations September: Down 16.3% from 2020 at 30,309
- 2021 YTD Fuel Totals: Up 38.2% from 2020 at 12,171,132
- Monthly Fuel Totals for September: Up 29% from 2020 at 1,499,526
- Monthly Avg Gas Sales September: Up .9% from 2020 at 64,747
- Monthly Jet Fuel Sales September: Up 31.1% from 2020 at 1,434,779
- Monthly Market Share for fuel sales for September: DJC: 33.6%; TAC Air: 28.3%; Signature: 28.1%; Modern Aviation: 9.8%; Heliplex: .2%

16. Third Quarter Land Use Referrals

Rachel Keller

Recommendation: Advisory

Ms. Keller reported the following for Third Quarter land use referrals:

- A total of 11 referrals were received during July 2021 through September 2021
- 1 of those were approved as submitted
- 8 were subject to comments
- There were 2 referrals that were not recommended

Ms. Keller informed that the development opposed was called The Landing at Lima and falls just outside the 65DNL. She provided a graph showing the noise monitor data for the last 7 years, ending in 2020; it showed 90+ events that have happened over several years

and over flights since its right in the approach. Chair Sharpe and Commissioners Holen and Huffman asked questions regarding this matter; Ms. Keller replied, and Mr. Olislagers stated that we can provide the Board information. Commissioner Huffman asked why on one of the referrals it was checked; Ms. Keller responded that it was previously referred.

17. Noise Update

Rachel Keller

Recommendation: Advisory

Ms. Keller presented statistics on the September 2021 noise complaints. She stated the following:

- There were 1,618 complaints from 55 households.
- Year-to-Date there are 10,903 complaints from 339 households.
- With the top household removed, there were 1,044 complaints for the month of September
- There were 1,503 daytime complaints; 115 nighttime complaints
- 139 total response requests with 71 requesting a response by email, 68 requesting a response by phone
- Year-to-Date there are 1,099 total requests with 588 requesting a response by email, 443 requesting a response by phone
- Majority of the complaints come from Unincorporated Douglas County at 37% followed by Greenwood Village at 23% Unincorporated Arapahoe County at 12% and Castle Rock at 8%
- The Top 5 households comprise 61% of year-to-date complaints.; with the top 1 household comprising 19% with 2,076 complaints in Unincorporated Douglas County
- Departures led complaints with 58% by operation type followed by training at 22%; Prop aircraft led complaints at 76%.
- Staff provided a 2018 Census population information for the surrounding cities and counties affected by aircraft noise

Commissioner Huffman asked several questions regarding different noise complaints for September; Ms. Keller and Commissioner Bagnato both responded. Commissioner Sieber asked about Drones and Mr. Fronapfel and Mr. Olislagers responded.

18. Centennial Airport Noise Roundtable Update

Brad Pierce (City of Aurora)

Recommendation: Advisory

Mr. Pierce reported the following.

- Three members of the public attended the meeting virtually. One indicated that things had been some better lately. The other two noted that was not the case in their areas. One questioned the amount of money spent on the noise monitors if no use can be made of the findings other than just tracking. It was also asked why the airport does not take a more active role and do something; there seem to be no consequences for those who cause the disturbances. The same member of the public commented on the health effects of aircraft noise. The role and authority of the airport vs. the FAA had been discussed.
- Use of the CACNR email address has also increased, with members of the public asking for our assistance in addressing their frustrations and concerns about increased noise from aircraft using the airport.
- A 2022 budget was adopted and invoices for 2022 will be going out to Regular members soon
- A date for the meeting with the flight schools, CACNR, and the two counties involved/ACPAA has proven difficult, but we will continue to try and find something acceptable soon.
- The educational portion of the October agenda included information about ANOMS and what airport staff does related to complaints using data from the noise monitor system. The full capability of the system, and what kinds of data might be of most use to CACNR at the time and for the future remain to be explored.

19. Legislative Report

Robert Olislagers

Recommendation: Advisory

Mr. Olislagers advised that Congress continues to struggle with decisions regarding the debt ceiling, kicking the can to Dec. 3rd, while the Infrastructure and Reconciliation bills remain mired in partisan and intra-party disagreements over the size and content of the proposed legislations. He informed airports are focused on renewing a 5-year Airway Reauthorization package in 2022 with many of the same proposals from previous years, including the PFC.

Public Comment

Comments from Board or Staff

Nancy Sharpe

Adjournment

Nancy Sharpe

The meeting was adjourned at 4:35 PM.

Execution of Documents

Gwen Balk

Approved:

Nancy Sharpe, Chair

Preliminary Web Documents

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